

P R 061327Z OCT 09
FM SECSTATE WASHDC
TO PAGE 02 STATE 103767 061346Z
AMEMBASSY BRASILIA PRIORITY
AMEMBASSY PARIS PRIORITY
INFO MISSILE TECHNOLOGY CONTROL REGIME COLLECTIVE

C O N F I D E N T I A L STATE 103767

PARIS FOR POL
BRASILIA FOR POL

E.O. 12958: DECL: 10/31/2035
TAGS: [MTCRE](#) [ETTC](#) [KSCA](#) [PARM](#) [PREL](#) [FR](#)

SUBJECT: MISSILE TECHNOLOGY CONTROL REGIME (MTCR) -- U.S.
PROPOSALS FOR THE NOVEMBER 2009 RIO PLENARY (C)

REF: STATE 090236 (AND PREVIOUS)

Classified By: ISN/MTR Director Pam Durham.
Reason: 1.4 (B), (D), (H).

11. (U) This is an action request. Please see paragraph 2.

12. (C) BACKGROUND/ACTION REQUEST: Request Embassy Paris provide the four separate interagency-cleared proposals in paragraphs 3-6 below to the French Missile Technology Control Regime (MTCR) Point of Contact (POC) for distribution to all Partners. Also request Embassy Brasilia provide proposals to the Brazilian MTCR Plenary Chair and/or other appropriate host government officials. Info addressees in MTCR countries also are encouraged to provide copies to host government officials. In delivering the proposals, posts should indicate that we would welcome MTCR Partner feedback, as well as Partners' own contributions on these or other issues. Posts also should note that the United States looks forward to an in-depth discussion of priority missile nonproliferation issues at the November 9-13, 2009 MTCR Plenary in Rio de Janeiro.

13. (C) U.S. PROPOSAL ON IE-TEM WORKING GROUP TO FOLLOW UP ON PAPERS/PROPOSALS ON EMERGING TECHNOLOGIES:

(C/REL MTCR)

The MTCR's Information Exchange (IE) meetings are an important component of the Regime, contributing to a successful Plenary as well as Partner cooperation on export licensing and enforcement issues throughout the year. In recent years, the IE has increasingly discussed new and emerging or "risk" technologies of interest to proliferators and programs of concern. The United States believes this area of the IE should continue to be emphasized and expanded because of its direct relevance to Partner export control efforts. Therefore, the United States believes the Partners should establish an ad hoc working group - consisting of both IE and Technical Experts Meeting (TEM) participants - to review the IE papers submitted in previous years to ensure that the information on proliferant procurement and risk technologies discussed at the annual IE meetings is incorporated into the Regime's export controls. This working group would report to the Plenary on opportunities to improve MTCR export controls to better address these technologies, potentially setting the stage for further action in the TEM, and could help the Partners prioritize emerging areas that require near- or longer-term attention. Establishing such an IE-TEM working group also would improve the MTCR's broader missile nonproliferation efforts and help to ensure that the Regime remains relevant to real world developments.

Experts from all interested Partner countries would be invited to participate in the IE-TEM working group. In order not to interfere with the normal work of the MTCR or with the ongoing work of either the IE or the TEM, this IE-TEM working group could be scheduled to meet on the margins of the

intersessional TEM. Participants then could follow-up intersessionally via e-mail, just as the TEM now does. So as not to unnecessarily overburden the TEM co-chairs, the IE permanent co-chair could lead this IE-TEM working group.

The United States recommends holding the IE-TEM working group meeting on a one-time trial basis, and then evaluating the results. If successful, the Partners could agree to hold future meetings of this group.

Proposed consensus language:

"The Partners agree to establish an ad hoc working group - consisting of both IE and Technical Experts Meeting (TEM) participants - to review the IE papers submitted in previous years to ensure that the information on proliferant procurement and risk technologies discussed at the annual IE meetings is incorporated into the Regime's export controls. The working group will report to the Plenary on opportunities to improve MTCR export controls to better address these technologies, highlighting areas for near- and longer-term attention. Experts from all interested Partner countries are invited to participate in the IE-TEM working group, which will meet on the margins of the intersessional TEM and be chaired by the IE permanent co-chair."

14. (C) U.S. PROPOSAL ON ROUND TABLE (RT) FOR OUTREACH TO NON-MEMBERS:

(C/REL MTCR)

At the 2007 Athens MTCR Plenary, the MTCR Partners acknowledged the growing risk of proliferation of weapons of mass destruction (WMD) and their means of delivery. Additionally, as noted in the Athens press release, they welcomed the growing awareness of the need for export controls and the expressed interest by many states in cooperating with the MTCR. Partners also confirmed their intention individually and through the outreach activities of the Chair to consult and cooperate with non-members to promote effective export controls over missiles and missile technology.

Building on these efforts, the MTCR subsequently agreed at the 2008 Canberra Plenary to hold a Technical Outreach Meeting (TOM) in Paris immediately following the 2009 Reinforced Point of Contact (RPOC) meeting. The purpose of this meeting, which was held on April 30, 2009, was to brief non-Partner participants on the changes to the MTCR Annex adopted at the Athens and Canberra Plenaries, including by explaining why the changes were made, what they entail from a technical perspective, and the potential impact on licensing reviews. The initial feedback from the 15 participating non-Partner countries was positive, with several noting that they appreciated the opportunity to interact with the MTCR.

In light of the positive reaction to the TOM, and the importance of ongoing dialogue with non-Partners on missile nonproliferation matters, the United States believes it would be extremely useful for the MTCR to hold a Round Table (RT) as another outreach event for non-Partners at the conclusion of the 2010 RPOC in Paris.

The purpose of the RT would be to remind non-Partners of the principles and objectives of the Regime, enhance transparency, address questions, and share experiences concerning implementation and enforcement of missile-related export controls. However, unlike the TOM, this meeting would not focus on the details of changes to the MTCR Annex. It also would not be a forum for non-members to present their case for membership or to express political views on missile issues.

One topic that might be particularly timely for the RT - especially given positive Partner reaction to the June 2009 Berlin Seminar - would be risk assessment in licensing. Partners could make presentations on their national licensing review processes, share case studies, and answer questions

from non-Partners. The United States recently gave such a briefing to Taiwan, for example, and it was very well-received.

Holding the RT immediately following the RPOC also would be a way to increase MTCR Partner participation in Regime outreach activities and an opportunity for Partners to reach a broader audience. This meeting would be open to representatives from all MTCR countries, as well as the MTCR Chair and POC, and would be a way to complement outreach activities undertaken by the MTCR and by the MTCR Partners on a national and regional basis. In an era of fiscal restraint, it also would be a way for Partners to maximize limited travel resources. Accordingly, it would be most useful if non-Partner invitees included countries with pending MTCR membership applications and countries that were identified as outreach priorities for the Regime at the previous two Plenaries.

The United States recommends holding the RT on a one-time trial basis, and then evaluating the results at the 2010 Plenary.

If successful, the Partners might decide to alternate the RT with the TOM - 2009/TOM, 2010/RT, 2011/TOM, 2012/RT, etc. This would create a forum for an established and regular dialogue with non-Partners.

Proposed consensus language:

"The Partners agree to hold a Round Table (RT) meeting immediately following the conclusion of the 2010 MTCR Reinforced Point of Contact (RPOC) in Paris for representatives of non-Partner countries that have membership applications pending with the Regime and/or that have been agreed as possible destinations for MTCR outreach visits at the 2008 Canberra Plenary and the 2009 Rio Plenary. The purpose of the RT would be to advise non-Partners of the principles and objectives of the Regime, enhance transparency, address questions, and share experiences concerning implementation and enforcement of missile-related export controls. One possible topic for discussion at the RT might be risk assessment in licensing."

15. (C) U.S. PROPOSAL ON ENTITIES OF CONCERN:

(C/REL MTCR)

At the 2005 MTCR RPOC Meeting, the French MTCR POC distributed to all Partners a list of entities of concern. The 250 entities included on the list were drawn from Partner denials, Information Exchange papers, and other documents circulated by Partners between 2000-2004. This list is not a "black list" but a tool to facilitate Partners' national licensing, enforcement, and interdiction efforts. The United States has used this list on multiple occasions since 2005, and believes an updated version - incorporating the names of entities in Partner denials, IE papers, and other documents circulated by the Partners between 2005-2009 -- would be useful for Partners. Recognizing that the POC already has a wide variety of responsibilities, we think it would be helpful if the IE Co-Chairs undertook to compile this list. We also think it would be helpful to have this list available to all Partners on ePOC. We therefore recommend that the Rio Plenary agree that the IE Co-Chairs update the list for distribution to Partners at the 2010 RPOC meeting.

Proposed consensus language:

"Partners agree on the utility of updating the list entities of concern -- drawn from Partner denials, Information Exchange papers, and other documents circulated by Partners between 2000-2004 -- that was circulated to Partners in 2005. Partners further agree that this list is not a "black list" but a tool to facilitate Partners' national licensing, enforcement, and interdiction efforts, and that having this information available on ePOC will provide a useful tool to inform Partners' export control implementation. The IE

Co-Chairs were asked to update the 2005 list, with a view to distributing it to all Partners at the 2010 RPOC meeting, if possible."

16. (C) U.S. PROPOSAL ON OUTREACH TO CHINA:

As noted in the press release for the 2008 MTCR Plenary in Canberra, MTCR Partners have "recognized that more must be done to discourage WMD means-of-delivery programmes and activities of proliferation concern." Additionally, "special emphasis was placed on particular challenges posed by missile proliferation in Northeast Asia, South Asia, and the Middle East." In this context, and in light of developments in the missile area since Canberra - numerous DPRK and Iranian missile launches, the promulgation of UNSCR 1874, etc. -- and in view of the fact that missile programs of concern remain dependent on foreign assistance (and thus remain susceptible to export controls), the United States believes regional missile nonproliferation merits particular focus by the Partners at the 2009 Plenary in Rio, including during discussions on outreach to non-members.

In this context, we believe it is important for the MTCR to urge China to take a more active role in promoting international missile nonproliferation. In particular, we think that during any MTCR-related outreach, including the Chair's visit, Partners should urge China: 1) not to market MTCR Category II short range ballistic missiles to countries of proliferation concern; 2) to use all available measures to prevent and/or stop Chinese entities from serving as sources of supply for programs of concern, including the Iranian and North Korean missile programs; and 3) to use its bilateral contacts with Iran and North Korea to promote missile restraint.

We believe such an approach would be appropriate in light of ongoing concerns - as expressed in various IE papers and Plenary and RPOC discussions - about Chinese entities supplying goods and technologies to the Iranian and North Korean missile programs, and in view of China's participation in the Six Party Talks, its obligation to abide by all missile-relevant UNSCRs concerning Iran and North Korea, and its oft-stated interest in furthering international missile nonproliferation efforts, including by cooperating with the MTCR.

Proposed consensus language:

"Partners agree to encourage China - during the course of the MTCR Chair's outreach and during Partners' bilateral contracts - to take a more active role in promoting international missile nonproliferation. Inter alia, this effort would include urging China to use all available measures to prevent and/or stop Chinese entities from serving as sources of supply for programs of concern and to use its bilateral contacts with Iran and North Korea to promote missile restraint. Additionally, Partners would urge China not to market MTCR Category II short range ballistic missiles to countries of proliferation concern."

17. (U) POINT OF CONTACT: Please contact ISN/MTR Director Pam Durham with any questions or follow-up related to this issue (202-647-4931; durhampk@state.sgov.gov).

18. (U) Please slug any reporting on this or other MTCR-related issues for ISN/MTR.
CLINTON

NNNN

End Cable Text